

**HARMONY COMMUNITY DAY NURSERY**  
Trading under Harmony Neighbourhood Nursery  
(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31st March 2024**



**Company Number: 04153660**  
**Charity Number: 1087071**



**Harmony Community Day Nursery**  
**Company Information**

**Status**

Harmony Community Day Nursery has charitable status and is a company limited by guarantee and not having a share capital.

**Directors/Trustees**

Pat Bunche (Chair)

Richard Barnett - Treasurer/Secretary

**Other Trustees**

Andy Sharpe

Amelie Lardoux

Ivana Jovanovic

Ciara Solmi

Mark Gilleran

**Secretary**

Jana Hassan

**Registered Office**

C/O Ark Burlington Danes Primary Academy

Du Cane Road

London W12 0TN

**Bankers**

HSBC plc

16 Sheperds Bush Green

W12 8PT

CAF Bank Ltd

25 Kings Hill Avenue

Kings Hill

West Malling

Kent, ME19 4JQ

**Auditors**

Brookfield & Co

18 Concanon Road

London

SW2 5TA

**Registered number**

04153660

**Charity Reference Number**

1087071

## **Harmony Community Day Nursery (HCDN)**

### **Report of the trustees for the year ending 31 March 2024**

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity for the year ending 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Acts purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and *Accounting and Reporting by Charities: Statement of Recommended Practice* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### **Chair's Report (Richard Barnett)**

Harmony moved to temporary premises at Ark Burlington Danes in August 2023, where we will remain until completion of our new premises as part of the White City redevelopment project in August 2025. The transition was effected smoothly thanks to the hard work of our dedicated management and staff, and in June 2023 the nursery was graded "Good" following an Ofsted inspection. Harmony has continued to provide high quality affordable childcare to local families in accordance with our primary mission, and to develop our staff.

### **Our purposes and activities**

The aims and objectives of HCDN remain as stated in the last Annual Report and as set out in the company's Memorandum and Articles of Association.

HCDN has been set up mainly to advance the development and education of children aged five and under in West London, in particular the London Borough of Hammersmith and Fulham.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

### **Organisational Structure**

HCDN is a company limited by guarantee incorporated on 4th October 2000 and governed by its Memorandum and Articles of Association. The company was registered as a charity on 20<sup>th</sup> June 2001.

HCDN is based on the White City Estate in the London Borough of Hammersmith & Fulham. HCDN continues to work in partnership with local organisations throughout the borough.

A voluntary Board of Trustees (Management Committee) are elected to govern the work of the charity as its decision-making body. These are skilled individuals who have an interest in its aims and objectives.

Parents and carers are invited to become members of the Management Committee, together with other individuals with knowledge and experience of childcare, education, and general business management. If gaps in the knowledge of the Committee are identified, attempts are made to recruit appropriate candidates with relevant skills, via professional support services. Furthermore, Peninsula Group Ltd were contracted to support us with advice regarding Human Resources.

The Board of Trustees are elected at the company's Annual General Meeting. New members are subject to an induction process, and training is provided where necessary through NDNA and the Local Authority. The Pre-School Learning Alliance induction pack "The Role of the Management Committee as Employers" has also been adopted. The Board of Trustees meets at least six times per annum.

Eighteen members are employed by HCDN as follows:

Nursery Manager – responsible for the overall day-to-day management of the charity. Reports directly to the Management Committee.

Two Deputies – responsible for line management of childcare staff and leading on the curriculum and Special Needs. As well as the Operational & Communication Deputy is responsible for providing mentoring and support for Apprentices and ensuring the Health & Safety within the premises maintained throughout.

Seven childcare staff.

Two assistants

Two Apprentices

Finance Officer (part time)

Administrative (part time).

Two domestic staff (part time).

### **The educational programme**

As we move forward, our curriculum remains play-based learning activities as we integrate play into education that takes into consideration each child's age and development. Learning through play is a powerful medium for supporting children's physical, emotional, social, and cognitive development. It offers a wealth of benefits for children in their early years, contributing to their holistic development and fostering skills that are foundational for lifelong learning. These benefits align closely with the Early Years Foundation Stage (EYFS) guidance, which emphasises the importance of child centred, engaging, and developmentally appropriate learning experiences.

Child-led play empowers children to make choices, solve problems, and take risks in a safe environment. These experiences build self-esteem and a sense of autonomy as children learn to trust their abilities and develop a growth mindset.

We believe that this approach not only makes learning more enjoyable but also more effective. Our young children became engaged in nature activities fostering curiosity. Incorporating outdoor exploration, plant seeds, observe insects, and hatching projects.

### **Review of Activities/ Teaching & Learning**

As we continue facing challenges long after Covid due to loss of hard-working qualified practitioners who have been long term employees at Harmony. Furthermore, we still facing the challenges in recruitment of qualified practitioners which is the issue all over the country. As well as the third move of the nursery where we lost a fair number of the children due to the distance where we are currently located. This means also a loss of income, however, half way to the year the number has risen as more local families became aware of our presence.

Unfortunately, in the middle of the year two members of the staff have resigned. Lorelie who is a qualified practitioner, and has been with Harmony for over 7 years. Due to the inflation and lack of affordable accommodation, her and her family decided to move to the south of England. Furthermore, an apprentice, Aga, decided to take on a term time only job in a local school.

Finally, we deeply appreciate the unwavering support of our parents during challenging times in the nursery. Their commitment has made a significant impact, and we are grateful for the strong partnership we share in nurturing our children together.

We continue to work closely with children with Special Educational Needs, as currently have 3 young children, one of them have been assessed to show speech and language delay and traits of autism.

- During 'the Autumn term, we celebrated with the children all the main festivals such as Thanksgiving, Diwali, 'Hanukkah' and Christmas.

#### **SOCIAL EVENTS:**

- During Christmas festival, the children performed pantomime in front of their families which was successful.
- Santa presented all the children with gifts and joy.
- We celebrated children's achievements for the school leavers by the end of July and social gathering for the parents.

#### **STAFF TRAINING:**

- We provided Safeguarding training in September 2023, and various training in collaboration with the borough of Hammersmith & Fulham

#### **Financial Results**

HCDN received most of its funding from fees charged to parents. This income is devoted to core funding and is sufficient to cover the overheads and administration costs of the nursery.

The Income and Expenditure Accounts disclose incoming resources for the financial year of £488,649 and outgoings of £531,810. Our reserves as of 31<sup>st</sup> March 2024 stand as follows: -Restricted Funds £Nil and Unrestricted Funds £721,925, of which £270,000 has been designated as noted below.

#### **Reserves Policy**

The Trustees of HCDN consider that accumulating reserve funds to enable the organisation to cope with specific unforeseen events, contingencies and opportunities is an essential part of carrying out their duties in the overall management of the nursery's affairs.

#### **The Designated Reserve:**

Contingency reserve is intended to enable the nursery to cope with the unforeseen and contains sufficient funds to cope with a worst-case scenario i.e., a sudden cessation of all funding or another move of premises, which is expected in 2025. In this circumstance the fund should be large enough to enable:

- the nursery to continue to operate for a period of 3 months, this being a reasonable period to complete on-going work and make arrangements for winding down. £100,000 has been set aside for this eventuality.
- To cover any costs involved in winding down, e.g., legal fees (£25,000) and redundancy costs (£55,000).
- At the discretion of the Trustees, to enable the Nursery to continue operating where there is a temporary or partial cessation of funding.
- The nursery to comply with employment law and provide for maternity/paternity pay and unforeseen staffing situations when we need to temporarily cover the replacement of key workers (£25,000).
- Refurbishment of essential nursery equipment as well as expenditure related to the move to the temporary new premises. (£50,000).

- Coverage of 3% of workplace pensions, taking account of additional staff employed for new building. (£15,000).

#### **Tangible Fixed Assets for use by the Charity**

HCDN has no fixed assets in the form of property.

#### **Risk Management**

HCDN undertook a full risk assessment in 2019-2020. The existing reserves policy is designed to ensure that HCDN can continue in an emergency. As far as projects are concerned the risks are outlined in monitoring and evaluation plans for each of the projects, which has been submitted to donors. The projects are also subject to individual and ongoing agreements between HCDN and project partners.

#### **Trustees**

The full list of members below reflects this:

Pat Bunche (Director / Chair)  
Richard Barnett - Treasurer/Secretary  
Andy Sharpe  
Amelie Lardoux  
Ivana Jovanovic  
Ciara Solmi  
Mark Gilleran

#### **Statement of Trustees' Responsibilities**

Company Law requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period.

In preparing those financial statements, the Management Committee is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

**The Trustees are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.**

#### **Relationship with Funders**

No trustee has any relationship with any of the main funders except as a Trustee of HCDN.

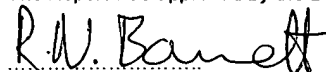
#### **Volunteers**

HCDN uses volunteers whenever necessary. They are always supervised, and references and enhanced DBS checks are taken up.

#### **Independent Examiners**

The Independent Examiners, Brookfield & Co were appointed at the Annual General Meeting on 8<sup>th</sup> July 2023 to carry out this Independent Examination.

The Report was approved by the Board of Trustees on 5<sup>th</sup> December 2024 and signed on their behalf.



**Richard Barnett**  
Director

**Harmony Community Day Nursery  
Independent Examiners' report  
to the shareholders of Harmony Community Day Nursery**

We report on the financial statements for the year ended 31 March 2024 which are set out on pages 7 to 11 which have been prepared on the basis of the accounting policies on page 9.

**Respective responsibilities of the Board of Directors and Independent Examiner**

The Board of Directors is responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our work, on those statements and to report our opinion to you.

**Basis of Independent Examiner's Report**

An examination includes a review of the accounting records kept by the Company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, seeking explanations from the Board of Directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently we do not express an audit opinion on the view given by these accounts.

**Independent Examiners Statement**

In connection with our examination, no matter has come to our attention which gives us a reasonable cause to believe that in any material aspects the requirements to keep the accounting records in accordance with the Companies Act 2006 and to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act have not been met or to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



J A Brookfield  
(Senior Statutory Auditor)  
for and on behalf of  
Brookfield & Co  
Accountants and Statutory Auditors

18 Concanon Road  
London

10 December 2024

**Harmony Community Day Nursery  
Statement of Financial Activities  
for the year ended 31 March 2024**

		<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total Funds</b>	<b>Total Funds</b>
	<b>Notes</b>	<b>2024 £</b>	<b>2024 £</b>	<b>2024 £</b>	<b>2023 £</b>
<b>Incoming resources</b>					
<i>Incoming resources from generated funds:</i>					
Nursery Fees		-	447,649	447,649	458,756
Voluntary Income - Grants and donations	3	1,800	13,750	15,550	18,165
Other Income		-	15,722	15,722	-
Investment income		-	9,728	9,728	1,740
<b>Total Incoming Resources</b>		<b>1,800</b>	<b>486,849</b>	<b>488,649</b>	<b>478,661</b>
<b>Resources expended</b>					
Charitable activities		2,057	527,299	529,356	534,208
Governance		-	2,454	2,454	2,120
<b>Total resources expended</b>	4	<b>2,057</b>	<b>529,753</b>	<b>531,810</b>	<b>536,328</b>
Net incoming resources expended for the Year		(257)	(42,904)	(43,161)	(57,667)
Transfers between funds		-	-	-	-
Funds brought forward		257	764,849	765,106	822,773
<b>Total Funds carried forward</b>		<b>-</b>	<b>721,945</b>	<b>721,945</b>	<b>765,106</b>

All of the above results derive from continuing charitable grants and activities and there were no recognised gains or losses other than the above results

The notes on pages 9 to 11 form part of these accounts.



**Harmony Community Day Nursery**  
**Balance Sheet**  
**as at 31 March 2024**

	Notes	2024 £	2023 £
<b>Current assets</b>			
Debtors	6	78,820	7,959
Investments held as current assets		-	-
Cash at bank and in hand		<u>662,318</u>	<u>782,759</u>
		741,138	790,718
<b>Creditors: amounts falling due within one year</b>	7	(19,193)	(25,612)
<b>Net current assets</b>		<u>721,945</u>	<u>765,106</u>
<b>Net assets</b>		<u>721,945</u>	<u>765,106</u>
<b>Funds of the Charity</b>			
Restricted Funds	9	-	257
General Funds	9	721,945	764,849
<b>Total Funds</b>	9	<u>721,945</u>	<u>765,106</u>

The notes on pages 9 to 11 form part of these accounts

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for

complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies



Richard Barnett  
Director

Approved by the board on 5 December 2024

**1. Basis of accounting and accounting policies**

**a) Accounting Conventions**

The financial statements have been prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) and the Companies Act 2006 and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2015. The company constitutes a public benefit entity as defined by FRS 102.

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

**b) Incoming resources**

Incoming resources are included in the SOFA when the charity becomes entitled to the resources, the Trustees are virtually certain they will receive the resources and the monetary value can be measured with sufficient certainty. Where incoming resources have related expenditure (as with fundraising for contract income), the incoming resources and related expenditure are stated gross in the SOFA. Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the funds. The value of any volunteer help received is not included in the accounts, but is described in the Trustee's annual report. Investment income is included when receivable.

**c) Resources Expended**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources. Resources expended include attributable VAT which cannot be recovered. Governance costs include costs on the preparation and examination of statutory accounts, the costs of Trustee meetings and costs of any legal advice to the Trustees on governance or constitutional matters. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of the resources e.g. Staff costs by the time spent and other costs by their usage.

**d) Restricted and Unrestricted Funds**

The accounts distinguish between restricted and unrestricted funds. Restricted funds are received from donors and are subject to restrictions on the purposes for which they may be used. Unrestricted funds are those where there are no externally imposed restrictions and are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

**e) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

**f) Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**g) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**h) Pensions**

Contributions to employee pension schemes are in line with government legislation.

**i) Legal status of the Trust**

The trust is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**Harmony Community Day Nursery**  
**Notes to the Accounts**  
**for the year ended 31 March 2024**

	2024 £	2023 £
2 Net Income for the year is stated after charging: Auditors' Remuneration - Brookfield & Co	2,300	2,150

**3 Voluntary Income - Grants and donations**

	Restricted £	Unrestricted £	2024 £	2023 £
Enjoy Benefits Grant	1,800	-	1,800	1,582
SEN support	-	13,750	13,750	16,583
	<u>1,800</u>	<u>13,750</u>	<u>15,550</u>	<u>18,165</u>

**4 Resources Expended**

	Restricted Funds	Unrestricted Funds	2024 £ Total	2023 £ Total
<b>Charitable Expenditure</b>				
Equipment renewals	790	2,921	3,711	1,719
Food and consumables	512	47,977	48,489	40,368
Staff Costs including payroll taxes and staff cover	-	458,004	458,004	465,824
Activities, outings and other direct expenses	-	858	858	578
Publicity and recruitment	-	421	421	-
Training and other staff costs	755	676	1,431	3,343
Premises expenses	-	10,305	10,305	13,507
Repairs and Refurbishment costs	-	1,341	1,341	3,551
Communications	-	559	559	757
Insurance	-	1,139	1,139	1,106
Consultancy fees	-	2,974	2,974	2,957
Bad Debt	-	-	-	302
Bank Charges	-	124	124	166
<b>Governance Costs</b>				
Audit and accountancy	-	2,300	2,300	2,150
AGM Costs	-	154	154	-
	<u>2,057</u>	<u>529,753</u>	<u>531,810</u>	<u>536,328</u>

**5 Employees**

	2024 £ Total	2023 £ Total
Staff costs were as follow;		
Salaries and other staff costs	425,791	433,145
Social security Costs	32,213	32,679
	<u>458,004</u>	<u>465,824</u>
The average number of staff during the year were as follows;		
Full time	12	13
Part time	6	6

**6 Debtors**

	2024 £	2023 £
Fees receivable	78,820	7,959
Other debtors and prepayments	-	-
	<u>78,820</u>	<u>7,959</u>

**7 Creditors: amounts falling due within one year**

	2024 £	2023 £
Trade creditors	4,800	14,054
Other accruals and deferred Income	4,410	4,150
Other taxes and social security costs	9,983	7,408
	<u>19,193</u>	<u>25,612</u>

**8 Analysis of net assets between funds**

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Tangible fixed assets	-	-	-
Current Assets	-	741,138	741,138
Current Liabilities	-	(19,193)	(19,193)
	<u>-</u>	<u>721,945</u>	<u>721,945</u>

**Harmony Community Day Nursery**  
**Notes to the Accounts**  
**for the year ended 31 March 2024**

**9 Analysis of net assets between funds**

	At 1/4/23	Incoming Resources	Outgoing Resources	Transfers	At 31/3/24
<b>Restricted Funds:</b>					
Enjoy Benefits Grant	257	1,800	(2,057)	-	-
<b>Total Restricted Funds</b>	<u>257</u>	<u>1,800</u>	<u>(2,057)</u>	<u>-</u>	<u>-</u>
<b>Unrestricted Funds:</b>					
<b>Designated Contingency Funds</b>					
Provisions re potential loss of funding					
3 months operation costs	90,000	-	-	10,000	100,000
Legal fees	20,000	-	-	5,000	25,000
Redundancy costs	55,000	-	-	-	55,000
Employment Obligations	25,000	-	-	-	25,000
Workplace Pensions	10,000	-	-	5,000	15,000
Reburbishing Nursery Equipment	50,000	-	-	-	50,000
	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>270,000</u>
General Funds	572,124	486,849	(529,753)	(20,000)	509,220
<b>Total Unrestricted Funds</b>	<u>764,849</u>	<u>486,849</u>	<u>(529,753)</u>	<u>-</u>	<u>721,945</u>
<b>Total Funds</b>	<u>765,106</u>	<u>488,649</u>	<u>(531,810)</u>	<u>-</u>	<u>721,945</u>

**Restricted Funds:**

**Enjoy Benefits Grant**

Funding towards resources and activities for qualifying children

**10 Related party transactions and trustees' remuneration**

**Trustees' Remuneration**

Trustees received no remuneration in respect of their services as Trustees (2023 £nil). Travel expenses of £Nil were paid in the period (2023 £Nil).

**Related Party Transactions**

No Trustees or other person related to the charity had any personal interest in any contract or transaction entered into by the charity (2023 None)